

Exhibit “D”

Accounting Period: 01/01/04 to 12/31/04

Accounting Period: 01/01/04 to 12/31/04

Accounting Period: 01/01/04 to 12/31/04

Accounting Period: 01/01/04 to 12/31/04

Accounting Period: 01/01/04 to 12/31/04

GENERAL ACCOUNT

652.70

1,341,199.24

1,444,624.51

4,423,170.8

2,785,470.8

DATE	DESCRIPTION	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
01/01/04	7,822.12								
02/28/04	9,131.43								
03/31/04	50.34								
04/30/04	84.08								
05/31/04	1,500.00								
06/30/04	8,608.96								
07/31/04	119,959.03								
08/31/04	80,975.15								
09/30/04	120,539.96								
10/31/04	8.27								
11/30/04	29,547.82								
12/31/04	16.60								
01/14/04	35,829.53								
02/15/04	81.00								
03/20/04	39,922.82								
04/29/04	50,000.00								
05/29/04	49,687.50								
06/31/04	162,283.50								
07/10/04	19.96								
08/10/04	53,753.90								
09/11/04	46,753.75								

Exhibit “E”



Commerce Bank/Harrisburg N.A.
100 Senate Avenue
Camp Hill Pa 17011
888-937-0004

STAMBAUGH'S AIR SERVICE INC
GENERAL ACCOUNT
427 SECOND STREET
HIGHSPIRE, PA 17034

STATEMENT DATE

12/31/05

0536000268

ACCOUNT NO.

11

CYCLE-008

*** CHECKING *** BUSINESS

ACCOUNT NUMBER 0536000268

PREVIOUS STATEMENT BALANCE AS OF 11/30/05	9,001.76
PLUS 3 DEPOSITS AND OTHER CREDITS	11,909.81
LESS 12 CHECKS AND OTHER DEBITS	7,479.61
CURRENT STATEMENT BALANCE AS OF 12/31/05	13,431.96
NUMBER OF DAYS IN THIS STATEMENT PERIOD	31

*** CHECK TRANSACTIONS ***

SERIAL	DATE	AMOUNT	SERIAL	DATE	AMOUNT
11179	12/22	123.00	11185	12/27	470.90
11180	12/22	6.76	11186	12/22	300.39
11181	12/28	120.63	11188*	12/21	723.89
11182	12/22	141.61	11189	12/30	20.00
11183	12/22	223.35	11190	12/30	1,338.00
11184	12/22	11.08			

*** CHECKING ACCOUNT TRANSACTIONS ***

DATE	DESCRIPTION	DEBITS	CREDITS
12/12	DEPOSIT		409.81
12/27	DEPOSIT		1,500.00
12/29	DEPOSIT		10,000.00
12/29	XFER TO ACCT CK-000536000276	4,000.00 <i>g/l</i>	

*** BALANCE BY DATE ***

11/30	9,001.76	12/12	9,411.57	12/21	8,687.68	12/22	7,881.49
12/27	8,910.59	12/28	8,789.96	12/29	14,789.96	12/30	13,431.96

CheckView

Date

12/31/05

Account

536000268

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11179

DATE 12/19/05

PAY TO THE ORDER OF Borough of Hightstown \$ 123.00

one hundred twenty three and 00/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 72468

011179 031301846 53 600026 8# 0000012300

Check 11179, Amount \$123 00 Date Presented 12/22/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11180

DATE 12/19/05

PAY TO THE ORDER OF UNITED WATER \$ 6.76

six and 76/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 00260999760616

011180 031301846 53 600026 8# 0000000676

Check 11180, Amount \$6 76 Date Presented 12/22/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11181

DATE 12/19/05

PAY TO THE ORDER OF AT&T \$ 120.63

one hundred twenty and 63/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 210 099 075 001

011181 031301846 53 600026 8# 0000012063

Check 11181, Amount \$120 63 Date Presented 12/28/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11182

DATE 12/19/05

PAY TO THE ORDER OF Verizon Wireless \$ 141.61

one hundred forty one and 61/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 220 700 000 001

011182 031301846 53 600026 8# 0000001461

Check 11182, Amount \$141 61 Date Presented 12/22/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11183

DATE 12/19/05

PAY TO THE ORDER OF Verizon \$ 223.35

two hundred twenty three and 35/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 7793913400132Y

011183 031301846 53 600026 8# 0000002233

Check 11183, Amount \$223 35 Date Presented 12/22/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11184

DATE 12/19/05

PAY TO THE ORDER OF United Water \$ 11.08

eleven and 08/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 00200999964408

011184 031301846 53 600026 8# 0000001108

Check 11184, Amount \$11 08 Date Presented 12/22/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11185

DATE 12/19/05

PAY TO THE ORDER OF Progressive \$ 470.90

four hundred seventy and 90/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 02199999-2

011185 031301846 53 600026 8# 0000004709

Check 11185, Amount \$470 90 Date Presented 12/27/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11186

DATE 12/19/05

PAY TO THE ORDER OF PPL \$ 300.39

three hundred and 39/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 04950-63002

011186 031301846 53 600026 8# 0000003003

Check 11186, Amount \$300 39 Date Presented 12/22/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11188

DATE 12/19/05

PAY TO THE ORDER OF Louis + Chevrolet \$ 723.89

seven hundred twenty three and 89/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 530 559 000

011188 031301846 53 600026 8# 0000007238

Check 11188, Amount \$723 89 Date Presented 12/21/2005

STAMBAUGH AVIATION
427 2nd Street
Hightstown, PA 17034

10-184212 11189

DATE 12/26/05

PAY TO THE ORDER OF New York Life \$ 20.00

twenty and 00/100 DOLLARS & CENTS

Commerce Bank

FOR DEPOSIT ONLY # 530 559 000

011189 031301846 53 600026 8# 0000002000

Check 11189, Amount \$20 00 Date Presented 12/30/2005

CheckView

Date

12/31/05

Account

536000268

STAMBAUGH AVIATION
437 2nd Street
Hightstown, PA 17034

DATE 12/26/05

11190

PAY TO THE ORDER OF SWIF \$ 1,338.00

one thousand three hundred thirty eight and 00/100 DOLLARS

Commerce Bank

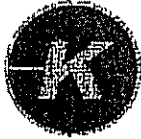
FOR POLICY 04766612 D.V. David C. Stang

⑆01⑆1190⑆ ⑆031301846⑆ 53 600025 8⑆ ⑆0000133800⑆

Check 11190, Amount \$1,338.00 Date Presented 12/30/2005

Exhibit “F”

KERN AND COMPANY, PC
ACCOUNTANTS AND BUSINESS ADVISORS



2331 Market Street

Camp Hill, PA 17011

717.763.0888 TEL

717.763.1581 FAX

kern@panetwork.com

July 12, 2007

Re: Stambaugh v. SARAA

Dean F. Piermattei, Esq.
Rhoads & Sinon LLP
Twelfth Floor
One South Market Square
P.O. Box 1146
Harrisburg, PA 17108-1146

Dear Mr. Piermattei:

You have asked me to assist you in the above referenced case by analyzing the damages claimed by the plaintiff. You have provided to me copies of various documents and access to other documents that plaintiff's counsel has supplied to you. Those documents are not adequate to allow an appropriate analysis of the damages claimed. In fact, I deem the documents to be woefully inadequate for that purpose.

The Second Amended Complaint contains brief descriptions of the nature of claimed damages with respective statements of rounded dollar amounts, as minimum of amounts of damage. The document titled "Damages Stambaugh Air Service vs Susquehanna Area Regional Airport Authority" (Damages) also provides damage descriptions, some calculations, and amounts of claimed damages, but without documents to support the numbers used in the calculations or amounts of damages that are not even supported by calculations. The documents that did accompany Damages were primarily audited and in some cases unaudited combined financial statements of Stambaugh's Air Service, Inc. and Affiliates for the years ended December 31, 1997 through December 31, 2006. For only one portion of the claimed damages (revenues related to fuel sales) was there any other sort of document supplied.

You supplied to me copies of two documents, DEFENDANTS' MOTION FOR SANCTIONS FOR FAILURE TO PROPERLY AND TIMELY DISCLOSE DOCUMENTS SUPPORTING DAMAGES CLAIM and PLAINTIFF'S RESPONSE thereto. Both documents refer to financial statements, bankruptcy statements, general ledgers, accounts receivable listings, accounts payable listings, bank statements,

cancelled checks and payroll journals. These documents alone are not adequate for doing a proper analysis.

Combined and/or audited financial statements are summaries of the thousands and thousands of individual transactions that the companies were involved in during the year. They do not identify, address, nor disclose information about specific types of transactions as found in the claims. Nor are these statements necessarily free of error. Rather, as the auditors' reports state, they believe that the statements fairly present combined results of operations, cash flows, and financial position in all material respects. I have emphasized the combined (as opposed to individual or individual types of transactions) and material (meaning there could be errors of a sort that are not material to the users of the statements, in the auditors' opinion). Such statements are intended primarily for external users of the statements such as creditors and external shareholders. In addition, the ledgers and journals are merely tools used to summarize the thousands or more transactions that the companies were involved in during the year. Cancelled checks and bank statements, inherently, reveal little or nothing about the nature of individual transactions. What is notably absent from the documents supplied are invoices, contracts, leases, and items that would indicate the nature, purpose, amount, and classification of transactions.

Again, the documents that were supplied are not adequate to allow an appropriate analysis of the damages claimed.

Sincerely,



Charles L. Kern,
BS/MBA/CPA/CVA/CFA/AEP/ABV

CLK: meg

Exhibit “G”

**IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA**

STAMBAUGH'S AIR SERVICE, INC.,	:	
	:	
Plaintiff	:	
v.	:	CASE NO. 1:CV-00-0660
	:	
SUSQUEHANNA AREA REGIONAL	:	Judge Yvette Kane
AIRPORT AUTHORITY, BAA	:	Magistrate Judge J. Andrew Smyser
HARRISBURG, INC., DAVID FLEET,	:	
individually, DAVID HOLDSWORTH,	:	
individually, and DAVID C. McINTOSH,	:	
individually,	:	
Defendants	:	

**PLAINTIFF STAMBAUGH'S AIR SERVICE, INC.'S
FIRST SET OF
REQUEST FOR PRODUCTION OF DOCUMENTS
DIRECTED TO DEFENDANTS**

Pursuant to Rule 33 of the Federal Rules of Civil Procedure, Plaintiff, Stambaugh's Air Service, Inc. ("Stambaugh's") requests that within thirty (30) days of service of these Request, Defendants Susquehanna Area Airport Authority ("SARAA"), BAA Harrisburg, Inc. ("BAA"), David Fleet ("Fleet"), David Holdsworth ("Holdsworth"), and David C. McIntosh ("McIntosh") answer the following Interrogatories fully and separately in writing, under oath.

DEFINITIONS

1. "Defendants" or "you" refers to Defendants SARAA, BAA, Fleet, Holdsworth, and McIntosh, and to each of their representatives, agents and attorneys.
2. "Stambaugh's" or "Plaintiff" refers to the named plaintiff, its employees, agents of any other person or entity authorized to act for or on behalf of Plaintiff.
3. "FBO" shall mean fixed base operator.

4. "HIA" refers to Harrisburg International Airport.

5. "RFQ" refers to the October 5, 1999 Request for Qualifications issued by some or all of the defendants.

6. "AERO" refers to AERO Services International Incorporated.

7. "AMP Hangar" refers to a hangar located at HIA and which was previously owned by the AMP Corporation and which has been purchased by SARAA.

8. "Identify," when used in reference to a natural person, means to state his or her name, present or last known address and telephone number, present or last known employer and his or her employer's address, and position or job title at time of employment.

9. "Identify" or "Identification" shall mean, when used in reference to any document, to:

- a. state the type of document (e.g., letter, memorandum, telegram, etc.);
- b. state its date;
- c. state its title, if any;
- d. describe its general subject matter and contents;
- e. identify the present location(s) and custodian(s) of the original and all known copies of said document;
- f. identify its author or originator;
- g. if the document is no longer in your possession, identify its last known custodian, describe the circumstances under which it passed from your control to that

person, and identify each person having knowledge of such circumstances and/or each person having knowledge of such circumstances and/or the present location of the document; and/or

h. in lieu of identifying the document in the manner set forth above, attach a copy of the document in question to your response to these interrogatories.

10. "Document" as used herein shall mean and include without limitation, all writings of any kind, including the original and all non-identical copies, whether different from the originals by reason of any notation made on such copies or otherwise (including, without limitation, correspondence, memoranda, notes, diaries, contracts, statistics, letters, telegrams, minutes, reports, studies, checks, statements, receipts, returns, summaries, pamphlets, books, interoffice and intra-office correspondence, electronic mail, offers, notations of any sort of conversations, meetings or other communications, bulletins, printed matter, computer printouts, teletype, telefax, invoices, purchase orders, worksheets, and all drafts, alterations, modifications, changes and amendments of any of the foregoing), graphic or oral records or representations of any kind (including without limitation, photographs, charts, graphs, microfiche, microfilm, videotape recordings, motion pictures), any electronic, mechanical, or electrical records or representations of any kind (including without limitation, tapes, cassettes, disks, and recordings). The term "document" means each document which is or was in the possession, custody or control of plaintiff or his agents or representatives, including counsel, and each document known by plaintiff to have existed or which presently exists.

REQUEST

1. Complete copies of all audited financials for the years 2000; 2001; 2002; 2003; 2004 and 2005, including, but not limited, reports, graphs, charts and all related documents.

ANSWER:

Respectfully submitted,

CUNNINGHAM & CHERNICOFF, P.C.

Dated: 12/22/06

By: 

Jordan D. Cunningham, Esquire

PA I.D. No. 23144

2320 North Second Street

Harrisburg, PA 17110

Telephone: (717) 238-6570

Attorneys for Plaintiff

Exhibit “H”

**IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA**

STAMBAUGH'S AIR SERVICE, INC.,	:	
	:	
Plaintiff	:	
v.	:	CASE NO. 1:CV-00-0660
	:	
SUSQUEHANNA AREA REGIONAL	:	Judge Yvette Kane
AIRPORT AUTHORITY, BAA	:	Magistrate Judge J. Andrew Smyser
HARRISBURG, INC., DAVID FLEET,	:	
individually, DAVID HOLDSWORTH,	:	
individually, and DAVID C. McINTOSH,	:	
individually,	:	
Defendants	:	

**PLAINTIFF STAMBAUGH'S AIR SERVICE, INC.'S
SECOND SET OF
REQUEST FOR PRODUCTION OF DOCUMENTS
DIRECTED TO DEFENDANTS**

Pursuant to Rule 33 of the Federal Rules of Civil Procedure, Plaintiff, Stambaugh's Air Service, Inc. ("Stambaugh's") requests that within thirty (30) days of service of these Request, Defendants Susquehanna Area Airport Authority ("SARAA"), BAA Harrisburg, Inc. ("BAA"), David Fleet ("Fleet"), David Holdsworth ("Holdsworth"), and David C. McIntosh ("McIntosh") answer the following Interrogatories fully and separately in writing, under oath.

DEFINITIONS

1. "Defendants" or "you" refers to Defendants SARAA, BAA, Fleet, Holdsworth, and McIntosh, and to each of their representatives, agents and attorneys.
2. "Stambaugh's" or "Plaintiff" refers to the named plaintiff, its employees, agents of any other person or entity authorized to act for or on behalf of Plaintiff.
3. "FBO" shall mean fixed base operator.

REQUEST

1. Complete copies of all Fuel Flowage Reports for both Commercial and General Aviation submitted to the F.A.A. by Defendants from January 1, 1999 through present, including, but not limited, reports, graphs, charts and all related documents.

ANSWER:

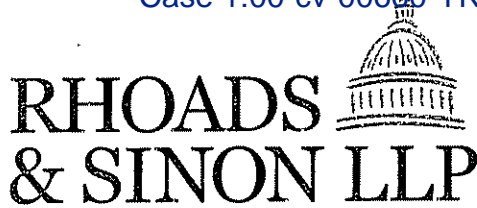
Respectfully submitted,

CUNNINGHAM & CHERNICOFF, P.C.

Dated: June 14, 2007

By: /s/ Jordan D. Cunningham, Esquire
Jordan D. Cunningham, Esquire
PA I.D. No. 23144
2320 North Second Street
Harrisburg, PA 17110
Telephone: (717) 238-6570
Attorneys for Plaintiff

Exhibit “I”



Dean F. Piermattei
ph (717) 233-5731
fx (717) 231-6637
dpiermattei@rhoads-sinon.com

FILE NO: 6216.5

June 25, 2007

Re: Stambaugh v. SARAA

Jordan Cunningham, Esquire
Cunningham & Chermicoff, P.C.
2320 N. 2nd Street
Harrisburg, PA 17110

VIA: Hand Delivery

Dear Jordan:

While I understand you are on vacation, you directed me to deal with your associate who will be attending the deposition. I am providing to you, via hand delivery, to your associate, this date, additional documents, some of which you may already have in your possession. This should be considered a formal supplement to our discovery responses. Enclosed are the following:

1. Documents Bates numbered SARAA07168-07287 (will be used as deposition exhibit);
2. A disc containing information relating to building repairs from 1998 – 2007;
3. Areo Contract with SARAA (will be used as deposition exhibit). I believe this is already contained in your client's records, however, I am providing it again for the sake of completeness);
4. requested fuel flowage records for HIA from January 2000 through 2006;

Additionally, you also requested whether any of the Authority's witnesses would be available on Saturday, June 30, 2007. I will be out of town for the holiday weekend, but Heather Kelly from my office is available to defend these depositions. Belinda Svirbely is available, and I am waiting to hear back from Fred Testa. We do not intend to call Tom Peiffer as a witness.

There remain outstanding problems with the documents produced by your client. First, Plaintiff has only produced consolidated financial information for a three year period. However, they have alleged continuing damages. Accordingly, we need all consolidated financials through the present. Moreover, we are still awaiting documentation supporting many of the categories of damages that have been pled in the Second Amended Complaint. You indicated that Mark Stambaugh will be producing additional documents during his deposition today. We will review those, and, to the extent that any deficiencies remain, will seek a conference with Magistrate Smyser.

June 25, 2007

Page 2

Thank you for your prompt attention to the above matters.

Very truly yours,

RHOADS & SINON LLP

By: 
Dean F. Piermattei 

Enclosures